
PRESS
RELEASE

FIRST SUSTAINABILITY-LINKED EIB LOAN AGREEMENT OF 600 MILLION EUROS TO E-DISTRIBUZIONE

- *E-Distribuzione, a company of the Enel Group, and the European Investment Bank have signed off the first 300 million euro tranche of a “Sustainability-Linked” loan totaling 600 million euros*
- *This is EIB’s first sustainability-linked loan agreement, relating to Enel reaching its goal to reduce direct greenhouse gas emissions (Scope 1), in line with United Nations Sustainable Development Goal (SDG) 13 (Climate Action) and the Group’s Sustainability-Linked Financing Framework*
- *The Agreement further strengthens the partnership between the EIB and Enel, once again demonstrating their commitment to a more resilient and sustainable Europe through Sustainable Finance transactions*

Rome, July 1st, 2021 – E-Distribuzione and the European Investment Bank (EIB) have signed off a Sustainability-Linked loan totaling 600 million euros.

*“This transaction marks a big step for the EIB as part of its roadmap to become the EU’s ‘climate bank’”, stated **Miguel Morgado**, Director of the European Investment Bank for lending operations in Italy, Malta, Croatia, Slovenia and the Western Balkans. “From 2025, at least half of our lending is required to positively impact the climate, while all EIB transactions from this year onwards are aligned with the objectives of the Paris Agreement. Thanks to the synergy with Enel, leveraging on its leadership and know-how in Sustainable Finance, this loan is fully in line with our goals of combating climate change. This transaction also plays a major role in supporting the post-pandemic economic recovery and its impact on employment. Given that 70% of the investment arising from the loan will be carried out in southern Italy, this is a further indication of the significance of the co-operation between Enel and the EIB.”*

*“As a leader in Sustainable Finance and pioneers of Sustainability-Linked instruments, a historic agreement has been signed together with the European Investment Bank, which is certain to affect the future of development and public finances”, stated Enel CFO **Alberto De Paoli**. “The evolution of sustainable finance will support long-term growth and a just transition in Europe, by means of an acceleration of sustainable investments, in line with the Paris Agreements and the achievement of the United Nations Sustainable Development Goals: this is an unprecedented opportunity for both private and public institutions to mobilize sustainable capital via the use of sustainability-linked instruments, therefore achieving our ambitious climate targets.”*

For the first time, the EIB will be providing a Sustainability-Linked loan agreement linked to Enel’s ability to achieve its target for direct greenhouse gas emissions (Scope 1), measured in grams of CO₂eq per kWh, equal to or below 148 gCO₂eq/kWh by 2023, thus contributing to United Nations Sustainable Development Goal (SDG) 13 (Climate Action).



Depending on the achievement of this target, the Agreement provides for a step-up/step-down mechanism that will trigger a margin adjustment.

The Agreement is in line with Enel's Sustainability-Linked Financing Framework, updated in January 2021, which fully integrates sustainability into the Group's global financing program. The Framework is in line with the International Capital Market Association (ICMA)'s "Sustainability-Linked Bond Principles" and with the Loan Market Association (LMA)'s "Sustainability-Linked Loan Principles", as verified by the second-party supplier Vigeo Eiris.

The transaction further strengthens the partnership between the Bank of the European Union and Enel, once again demonstrating how both institutions are committed to creating a more resilient and sustainable Europe through Sustainable Finance transactions.

More specifically, the Sustainability-Linked component of the Agreement marks a major step forward in the financial sector, in the acknowledgement of the possibility of supporting the achievement of key, concrete and ambitious sustainability objectives, while promoting a just transition to a low-carbon economy.

The Agreement will support the launch of E-Distribuzione's investment in the "e-Grid" project, which is aimed at the renewal and development of the power grid, an increase in climate resilience and technological updates in order to improve the quality of electricity services and accelerate the energy transition, enabling the network to host a rising proportion of renewable generation capacity and electric mobility, as well as opening up the system to a series of innovative services for consumers. Finally, it will reduce exposure to climate change-related risk.

Notes to Editors

Enel is a multinational power company and a leading integrated player in the global power and renewables markets, as well as a main gas operator in the retail market. It is the largest European utility by ordinary EBITDA, and is present in over 30 countries worldwide, producing energy with around 88 GW of installed capacity. Enel distributes electricity through a network of over 2.2 million kilometers and with more than 74 million end users it is the first network operator globally¹.

The **European Investment Bank (EIB)** is the European Union's long-term credit institution and is directly owned by its Member States. The EIB provides long-term loans for investments that make a contribution to EU policy objectives. In 2020, the EIB issued loans for Italian projects totalling almost [€10.9 billion](#).

¹ Publicly-owned operators not included



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